



# Economic Development Division Program Fact Sheets

## **State of Washington**

Department of Community, Trade and Economic Development

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<http://www.cted.wa.gov>





*Community Economic Assistance Center:*

## Base Realignment and Closure Process Assistance

*Supporting Washington's communities with military installations*

### Purpose

At the request of Governor Locke, funding was provided by the Legislature during the 2003-05 biennium to assist Washington communities that are preparing for the federal Base Realignment and Closure Commission review process. The funding provided local grants and state level technical support. Local efforts in Island, Kitsap, Pierce, Snohomish and Spokane counties benefited from this investment. The program helped local lead organizations identify and present the competitive advantages each base offered. Funding for the program was not included in CTED's 2005-2007 budget. Time and resources permitting, staff of CTED's Community Economic Assistance will center continue to participate in state and Local Military Relations Committee meetings and disseminate information of interest to Washington's military base communities.

### Results and Achievements

Passthrough funding:

Between March 2004 and November 2004, the program awarded lead organizations in five counties the following grant amounts to prepare.

- Everett: \$64,500 for BRAC preparation.
- Kitsap County: \$62,891 for BRAC preparation and to extend broadband fiber optic capability to the Naval Underwater Warfare Center at Keyport.
- Oak Harbor: \$79,260 for BRAC preparation.
- Spokane Regional Chamber of Commerce: \$88,849 for BRAC preparation.
- Tacoma-Pierce County Chamber of Commerce: \$52,500 for BRAC preparation and to develop a project-funding estimate for properties in the McChord Air Force Base Clear Zone.

### Fast Facts

- Military sector comprises five percent of state's economy: 188,000 jobs and \$7.3 billion in annual earnings
- Department of Defense estimates national base capacity exceeds future needs by 25 percent
- Washington bases are ideally suited to meet the military's needs.
- Retention of major bases is a state priority

### For More Information

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# Base Realignment and Closure Process Assistance

## Statutory Authority

*The Fiscal Year 2003-2005  
budget bill ESHB 2459, Section  
117(23) provisos funding for  
BRAC community assistance.*

## Performance Measures

- Number of grants awarded: five
- Number of projects completed: five
- Amount of other funds leveraged: \$79,942
- Number of major Washington bases retained: six of six



# Business Finance Unit: Brownfields Redevelopment Revolving Loan Fund

*Encouraging economic redevelopment of commercial or industrial land*

## Purpose

The purpose of the Brownfields Redevelopment Revolving Loan Fund (BRRLF) program is to encourage and facilitate public and private sector cleanup and economic redevelopment of commercial or industrial brownfields properties that are idled, underutilized or abandoned as a result of real or perceived contamination.

In late 2000, the Washington State Department of Community Trade and Economic Development (CTED), in conjunction with its local partners King County/City of Seattle and the City of Tacoma, received \$1.5 million from the U.S. Environmental Protection Agency (EPA) to fund a Brownfields Cleanup Revolving Loan Fund program. Since then, CTED has received two additional EPA awards and the City of Spokane has joined the partnership. EPA Revolving Loan Fund awards to date: total \$5.3 million.

## Results and Achievements

The first BRRLF was issued in Seattle for \$440,000; the property cleaned up is part of a \$23.5 million redevelopment project that will ultimately employ 25 people and provide housing as well.

The second BRRLF loan was issued in Spokane for \$2.4 million; the 77-acre project site is scheduled for mixed-use development (commercial-retail-residential). Initial projections for the \$500 million project include an estimated 2,500 jobs.

Three other projects have received funds for environmental assessments of their properties as the result of staff assistance (in Raymond, Morton and Sprague). Staff estimate that the total local investment (private and public) in these projects for cleanup and redevelopment will exceed \$7 million.

## Fast Facts

- Brownfields redevelopment has bipartisan support by the EPA and in Congress
- CTED's program results from a partnership between CTED, EPA and Ecology
- More than 90 percent of the costs are covered by federal grants

## For More Information

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# Brownfields Redevelopment Revolving Loan Fund

## Statutory Authority

none

I was totally impressed. It was really great to see things run so smoothly between this many agencies.... thank you for all the hard work."

—Kon Lamparter, Public Works Director, City of Sprague

## Performance Measures

- The number of jobs created by new or expanded businesses on the properties receiving redevelopment loan funds
- Increased values for the redeveloped property
- New taxes generated within the first three years of the projects funded
- Increased collaboration between the federal, state, and local agencies involved in brownfields cleanup and redevelopment

## Services

Key program elements include:

- Low-interest, five-year loans are offered to clean up brownfield properties already assessed for contamination.
- Loan recipients are linked with assistance offered through the related brownfields programs.
- The Department of Ecology provides technical review of the cleanup projects.
- The fund has over \$4.5 million in lending and grant capacity; The cash balance in the loan fund was \$1.7 million. To meet EPA grant requirements the remaining funds must be used by Sept. 30, 2007.
- CTED is currently putting together a supplemental funding proposal to EPA for additional loans and grant funds.



# Business and Project Development Program

*Expanding, retaining and recruiting business in Washington State*

## Purpose

The Business and Project Development Unit (BPD) is responsible for marketing, recruiting, expanding, retaining, and site development for industry choosing Washington as an outstanding state in which to do business. BPD's goal is the retention, expansion and creation of businesses resulting in jobs and revenue. We help position Washington competitively in the national and global marketplace through traditional and targeted marketing activities, and technical assistance to businesses, non-profits, and local partners for site development and expansion opportunities.

BPD provides an advanced-level, value-added approach to local economic development projects. This service is provided to local governmental jurisdictions, tribes, and local economic development organizations. BPD builds and maintains partnerships with other state and federal agencies to ensure reliable direction for local project development and appropriate technical and financial investments. No other public or private organization in the state provides this function.

## Fast Facts

- 70 percent of the state's work in Business and Project Development is the expansion of existing Washington businesses
- Provides technical and financial assistance to local areas for business retention and expansion projects
- Provides technical and financial assistance to local areas for site readiness

## Results and Achievements

Since the beginning of Fiscal Year 2003, BPD has:

- Created 1,012 jobs
- Retained 800 jobs
- Created \$2.7 million dollars of state revenue through the state business and retention expansion efforts
- Leveraged nearly \$9 million in local site and infrastructure development projects that lead to job creation
- Leveraged an additional \$1.5 million for site development activities in local areas

## For More Information

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# Business and Project Development Program

## Statutory Authority

*none*

## Services

Key program elements include:

Create awareness of Washington as a desirable place to do business through industry-marketing events, media relations and advertising. Identify companies with targeted sectors and industry clusters that are most receptive to considering Washington State for expansion or relocation and retain existing businesses.

Develop and maintain **www.choosewashington.com**, a website that is friendly to corporate site selectors and serves as a portal for exploring Washington as a business site.

In partnership with local economic development councils (EDCs), ports, private sector representatives and local governments develop strategies to both retain businesses and jobs by convincing companies to make a decision to expand or relocate within Washington State.

Develop a targeted sector/account manager approach to work with industries. Targeted sectors include: Aerospace, Agriculture/Food Processing, Forest Products, Marine Services, Life Sciences, Technology, and Tourism.

Provide technical training and assistance to local economic development organizations in business retention and expansion activities.

Provide contract dollars for local business retention and expansion programs.

Provide technical and financial assistance to site development opportunities.

Support communities in achieving a state of readiness for economic development, by connecting land use, environmental and jobs training activities that support a sustainable, vital economy in Washington.

## Performance Measures

- Jobs created and/or retained
- Businesses assisted
- Business investment created
- State revenue generated
- Satisfaction levels for workshops/training sponsored by BPD





# Business Finance Unit: Business Loan Portfolio

*Helping rural Washington businesses and communities grow*

## Purpose

Since 1984, the Business Finance Unit (BFU) has offered a growing number of financing assistance programs to local businesses, primarily in rural areas of the state. Through the use of federal grant and program funds, BFU has established 11 revolving loan programs to meet the economic development needs of businesses and communities throughout the state.

## Results and Achievements

Since the program began in 1986, the Loan Portfolio program has:

- Loaned more than \$84.7 million
- Leveraged more than \$449 million in private investment
- Created or retained 7,300 jobs

In the past four years, the program has:

- Provided \$25.8 million in financing to 40 companies
- Created or retained more than 1,600 jobs
- Generated more than \$13.3 million in state taxes

## Performance Measures

The standard measurements used for these funds include:

- Leverage (the amount of private investment per \$1 of loan fund investment)
- Jobs created/retained
- Monies loaned divided by the jobs created/retained
- State taxes generated in the first year after each financed project

Federal regulations for block grant related loan funds require that the loan portfolio average no more than \$35,000 loaned per job created/retained.

## Fast Facts

- Eleven loan funds
- More than 80 loans in portfolio
- More than \$30 million in loans to Washington businesses
- Federal regulations for block grant-related loans require that the loan portfolio average no more than \$35,000 loaned per job created or retained

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# Business Loan Portfolio

## Statutory Authority

RCW 43.168  
*Rural Washington Loan Fund*

RCW 43.86A.060  
*Linked Deposit Program*

"I can't thank you enough for your patience and wonderful assistance in working with staff on this project, you have made it so much easier."  
—Donna Engle, Mayor, City of Clarkston

## Services

The Business Loan Portfolio (BLP) Program services all aspects of the revolving loan programs. The mission is to create and retain local jobs, diversify local economies, and expand the local tax base.

Because of the varying requirements, terms and rates of each of the federal loan programs, BLP program staff work closely with the Community Development Finance staff to customize loan packages to meet the borrower's needs. Loan Portfolio staff also review, process, and fund loan applications, making sure they meet the appropriate fund's requirements. The program makes direct loans of federal funds, together with other federal, state, and local financing tools (including federal loan guarantees) to leverage private investment. The program also provides technical assistance to local revolving loan funds and economic development organizations.

The typical borrower from CTED is looking for "gap" financing to cover a gap left after going to other private lenders and investors. The gap may be the result of bank collateral ratios (limiting the amount they are willing to lend), high interest rates (making the cash flow from the business unable to reach bank debt coverage ratios) or other reasons. A key benefit of many of CTED's loan funds is the ability to subordinate our collateral interests to those of other lenders.

The funds managed by Business Loan Portfolio staff include:

- Rural Washington Loan Fund (\$8.2 million in total lending capacity)
- North and South Coastal Revolving Loan Funds (\$1.25 million in total lending capacity)
- North and South Coastal Revolving Technical Assistance Loan Funds
- Community Development Block Grant Float Loan Program (\$20 million in total lending capacity)
- HUD 108 Loan Guarantee Program (\$18+ million lending capacity)
- Forest Products Revolving Loan Fund (\$6 million lending capacity)
- EPA Brownfields Redevelopment Revolving Loan Fund, Hazardous Waste Loan Fund and Petroleum Cleanup Loan Fund (\$3.67 million in total lending capacity)



# Business Finance Unit: Child Care Facility Fund

*Partnering with business to provide child care facilities for working families*

## Purpose

The rise in the number of single-parent and dual-career families has made child care a critical issue for employers and employees alike. The Child Care Facility Fund was created with the goal of business and state government working together to meet the child care needs of working families by providing financial assistance to child care projects throughout the state.

## Results and Achievements

Since the program began in 1989, the Child Care Facility Fund has:

- Issued more than \$3.2 million in grants and loans
- Leveraged over \$24 million in private investment
- Passed through an additional \$1.56 million to local child care micro-loan providers

Until 2002, the program was restricted to employer-sponsored childcare facilities, keeping loan volumes low. Since then, the program has issued ten loans totaling \$853,000

The program staff anticipates that nearly all the monies in the Child Care Facility Fund will be loaned out before biennium's end.

## Performance Measures

The standard measurements used for these funds include:

- Leverage (the amount of private investment per \$1 of loan fund investment)
- Jobs created/retained
- Monies loaned divided by the jobs created/retained
- State taxes generated in the first year after each financed project

### Fast Facts

- Helped create and maintain more than 45,000 licensed child care slots
- Created 434 jobs at 69 facilities
- No loan defaults
- Joint project between DSHS and CTED

### For More Information

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# Child Care Facility Fund

## Statutory Authority

RCW 43.31.502  
*Child Care Facility Revolving Fund*

RCW 43.31.504 - 43.31.514  
*Child Care Facility Fund Committee*

## Services

Childcare providers may apply for funds to either start or expand childcare services. Proprietorships, partnerships and corporations are eligible to apply.

Funds can be used to:

- Start or expand a licensed child care facility
- Make capital improvements in an existing DSHS licensed child care facility
- Purchase child care health and safety equipment
- Pay for operational costs of a new facility for the first three months

More than \$1.7 million of lending capital is either available in the Child Care Facility Revolving Loan Fund or currently loaned out. The fund also issues approximately \$150,000 annually in small grants to childcare facilities for health and safety improvements. The maximum loan is \$100,000; grants are limited to \$25,000. Loans are typically repayable up to ten years and offer a fixed-interest rate of five percent. Grants must be repaid if the business ceases to operate within one to five years of grant issuance.

"The Child Care Facility Fund...has made it possible for Discovery World to build a much needed infant center."  
—Chizoba Nworjeh, Owner,  
Discovery World Learning Center, Des Moines



*Community Economic Assistance Center:*

## Columbia River Gorge Economic Development Program

*Enhancing economic opportunities along Washington's significant river corridor*

### Purpose

The 1986 National Scenic Area Act established the Columbia River Gorge National Scenic Area, a bi-state, six-county region shared by Oregon and Washington. The federal legislation authorized appropriation of

\$5 million to the state of Washington to implement the Washington Economic Vitality Plan. The plan was first developed in consultation with Gorge community representatives in 1991, then updated in 1999 and again in 2004. The primary purpose is to increase employment opportunities and achieve greater economic diversity within the Gorge region. The goals of the economic vitality plan include:

- Maintain the competitiveness of resource-based industries in the region
- Strengthen the region's ability to capture tourism and retail dollars
- Promote new industries and enterprises compatible with the area's strengths and weaknesses, and vision for future development
- Develop local capacity for diversification

### Results and Achievements

To date, \$3.8 million in federal funding has leveraged more than \$6 million in other local, state and federal funds for a variety of local projects. Examples include:

- Capitalize a small business development micro-loan program
- Enhance business assistance services
- Support a Gorge-wide tourism marketing program
- Assist in marketing the Gorge Interpretive Center
- Produce a regional arts and culture resource directory
- Produce a housing assessment to address the affordable housing shortage
- Develop a downtown Stevenson Open Space and View Corridor Plan
- Establish a Gorge area home page on the Internet to stimulate business development and recruitment

### Fast Facts

- The *Washington Economic Vitality Plan* for the Columbia River Gorge National Scenic Area directs how federal funds are spent
- 40 grants and loans totaling \$3.8 million have been awarded to assist local economic development projects
- Project investments have leveraged more than \$6 million in other funds
- A contract has been awarded to the Skamania County Economic Development Council to assume management of these federal funds at the local level as envisioned in the plan

### For More Information

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# Columbia River Gorge Economic Development Program

## Statutory Authority

*Federal Public Law 99-663,  
Nov. 17, 1986, Section 11,  
Economic Development (a)-(d).*

- Retire remaining construction debt on the Gorge Interpretive Center
- Complete a two-way couplet road construction project and purchase and install historic streetlights in downtown Stevenson
- Improve sewer and water systems (including new water storage) in North Bonneville to accommodate new business development
- Assist Stevenson to install telecom conduit downtown that will be crucial to looping services
- Assist the Port of Skamania County to acquire and develop property to site a new manufacturer
- Improve the aging Carson water system
- Improve the Home Valley Water District water system to accommodate future growth and economic development
- Assist the Port of Skamania County to acquire property in order to implement the port's waterfront development plan
- Assist the Port of Skamania County in developing and distributing marketing materials
- Assist start-up and expansion of businesses in the scenic area

## Services

While envisioned as a federal-state-local partnership, federal funds are targeted to local projects. In the past year, the state's management responsibility has shifted to the Skamania County Economic Development Council. CTED's Community Economic Assistance Center plans to assist in this transition until all remaining funds and contracts have been transferred. Program components include:

- **Local capacity matching grants:** assist local governments, ports and non-profit organizations to undertake projects that build local capacity to assist businesses and undertake projects that support new economic investment.
- **Public improvement loans and grants:** assist with removing infrastructure impediments to economic development. Local governments, ports, and non-profit organizations may request this financing for a variety of pre-construction and construction costs related to economic development infrastructure.
- **Private business development loans:** help stimulate job creation, business and job retention, and increase income.

## Performance Measures

- Number of projects assisted
- Number of jobs created (in relation to private business loans)
- Amount of funding leveraged from other resources



# Business Finance Unit: Community Development Finance

*Funding economic development and job creation at the local level*

## Purpose

The goal of the Community Development Finance Program (CDF) is to facilitate financing for public and private economic development projects that result in job creation and retention. This includes public infrastructure, start-ups, expansions and retention, as well as recruitment projects that incorporate the need for financing alternatives as part of the entire package.

The primary focus for CDF efforts is the economically distressed rural areas of the state, where the state's loan programs can be most readily used and the need is the greatest.

## Results and Achievements

In the more than 20 years since the CDF Program was established, the staff have provided packaging assistance and consultation that has resulted in:

- More than 1,200 projects funded
- Over \$1 billion has been invested in these projects
- Nearly 3,000 jobs have been created or retained

In the last four years, CDF staff work has been a major contributor to successful financing for 100 projects. As a result:

- \$266 million has been invested in three projects
- More than 4,000 jobs have been created or retained
- \$14.5 million in state taxes has been generated

## Performance Measures

The standard measurements for CDF services include:

- Amount of total investment in the projects assisted
- Jobs created/retained
- State taxes generated by the projects financed in the first year after their completion

## Fast Facts

- 66 percent of all CDF loan packaging deals use only local revolving loan funds and/or private lending
- All CDF staff are geographically stationed in their areas to be close to the businesses that need their assistance
- Current funding levels for CDF leave portions of the state unserved

## For More Information

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# Community Development Finance

## Statutory Authority

RCW 43.63A.075  
*Community Development  
Finance Program*

"We absolutely could not have made this mill work without CTED's assistance. The mill is now running at full capacity...the community is so thankful."

—Jaime Weber, *SeaPort  
Lumber Company, Raymond*

## Services

The Community Development Finance Program (CDF) provides direct and specific financing technical assistance support to Washington's small- and medium-sized businesses and for related economic development projects. Technical assistance support is also provided to economic development councils, ports, local governments, commercial financing institutions, and other Washington programs and community colleges.

This support is primarily focused on the identification and feasibility assessment of financial projects, the financial structuring of those projects and, where needed, the preparation and presentation of those financial projects to private, state or federal funding sources.

Projects of statewide significance and manufacturing projects that provide family-wage employment get immediate attention. Approximately one-half of all financial deals assisted by CDF staff use the state's loan programs.





# Community Economic Assistance Center

*Helping communities further their economic development goals*

## Purpose

The mission of the Community Economic Assistance Center (CEAC) is to secure and deliver resources required by partner organizations and communities to improve physical infrastructure and organizational capacity for economic development and jobs. The CEAC assists local efforts by providing both financial and technical assistance through a number of services. CEAC works to strengthen and diversify the state's economy by helping local communities and their local partner organizations plan, finance, and implement economic development strategies that create opportunities for business and job growth. CEAC customers and economic development partners include economic development councils, local governments, tribal governments, ports, downtown development associations, and community-based development organizations.

## Results and Achievements

Highlights include:

- \$429,914 in state Rural Opportunity Fund resources granted to 21 projects since July 1, 2004.
- \$2.7 million in Community Economic Revitalization Board (CERB) investment approved for five new projects. These projects leverage \$16 million in private investment and are estimated to create or retain 548 jobs since July 1, 2005.
- \$311,611 in federal Old Growth Diversification Fund resources committed to 10 local projects, since July 1, 2004.
- More than \$1 million in federal Groundfish resources expended by nine recipients to complete local projects.
- \$2.9 million contracted for local economic development services via Associate Development Organizations resulting in 4,840 jobs retained; 8,894 new jobs created; nearly \$4 million in retained taxes; less than 5.9 million in new taxes and almost \$550 million in new private investments during the 2003-05 Biennium.

## Fast Facts

- Common systems, a collaborative approach, and teamwork enable CEAC staff to manage several state and federal grant programs, support two investment boards, and deliver passthrough resources to key local and regional economic development partner organizations
- CEAC also assists other units within CTED's Economic Development Division by managing special projects and proviso funds

## For More Information

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# Community Economic Assistance Center

## Statutory Authority

*General functions align with  
RCW 43.330.050 and  
43.330.070*

- Downtown reinvestment in Washington's 9 certified Main Street™ communities has yielded 448 new businesses, expansions, and acquisitions; 1236 new jobs; 290 rehabilitated buildings; and \$45 million in building rehabilitation and construction during the 2003-05 biennium
- \$350,000 in grants to five local organizations that led to the retention of all six major military bases in Washington.
- More than \$3.6 million in federal Columbia River Gorge Economic Development Program resources have been invested in 40 local public and private development projects since funding since the program began.

## Services

Collectively, the programs and services clustered in the CEAC provide:

- **Local grant and loan contract management and monitoring:** CEAC negotiates, executes and monitors 300 passthrough grants, loans and amendments each biennium.
- **Investment board staff support:** CEAC provides management support to the Community Economic Revitalization Board (CERB) and the CTED Resource Team.
- **Federal and state initiative administration:** CEAC manages Old Growth Diversification Fund grant awards from the U.S. Department of Agriculture-Forest Service (USDA-FS) to assist timber/salmon-dependent communities; USDA-FS grant awards to implement the Columbia River Gorge National Scenic Area Economic Development Program; state Rural Opportunity Funds awarded for planning and predevelopment activities; and state Base Realignment and Closure Assistance Funds to assist lead organizations in five counties retain their major military bases.
- **Downtown Revitalization Program:** Nationally acclaimed Main Street™ tools and techniques are delivered by the Washington State Main Street Program to help communities revitalize the economy, appearance, and image of their downtown and older business districts.
- **Community Empowerment Zone Program:** This involves responding to requests, collecting annual reports, and making referrals as needed—a minimal coordinating role per statutory requirement.
- **Washington Development Network:** CEAC provides passthrough funding to Associated Development Organizations and the Washington Economic Development Association. As primary partners, ADOs provide economic development services at the local level. WEDA provides training and other services to its membership.



*Community Economic Assistance Center:*

# Community Economic Revitalization Board-- Job Development Fund Program

*A new statewide resource for economic development infrastructure*

## Purpose

The Job Development Fund (JDF) is a new grant program of the Community Economic Revitalization Board (CERB) resulting from passage of ESHB 1903 during the 2005 Legislative Session. The program is designed to assist with public infrastructure projects that directly stimulate community and economic development by supporting the creation of new jobs or the retention of existing jobs. JDF grants will be awarded on a biennial cycle, beginning with the 2007-2009 Biennium, to eligible applicants to help finance the construction of public facility projects supporting business development.

CERB is responsible for the development of the JDF program, conducting a statewide application solicitation, providing technical assistance to potential applicants, evaluating and ranking the applications, adopting JDF grant award list(s), providing the list(s) to the Public Works Board, and executing contracts with grant recipients, and managing the contracts. The Public Works Board is responsible for approving the list(s) for inclusion in the Department of Community, Trade and Economic Development's budget, and the Washington State Legislature is responsible for the approval of the final award list.

## Key Implementation Dates

- December 1, 2005—The date CERB will issue the application solicitation
- January 6, 2006—The deadline for submitting a pre-application
- April 3, 2006—The deadline for submitting a final application
- July 2006—CERB evaluates project proposals and develops prioritized list of projects
- August 2006—PWB reviews and approves project lists
- April 2007—Legislature approves 2007-2009 projects

## Fast Facts

- Washington State counties, cities, towns, port districts, federally recognized Tribes, plus special purpose districts and municipal corporations conducting economic development activities may apply for JDF funding.
- Job Development Fund grants may be awarded for projects that, at the time of application, the proposed public sector project is linked to a current or prospective private development project that will result in the creation or retention of jobs upon completion of the public project.

## For More Information

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# Community Economic Revitalization Board



*Community Economic Assistance Center:*

## Community Economic Revitalization Board-- Traditional and Rural Programs

*Funding local infrastructure projects to boost economic capacity and growth*

### Purpose

The Community Economic Revitalization Board (CERB) is a statutorily authorized state board charged with financing publicly owned economic development infrastructure improvements to encourage new business development and expansion in areas where growth is desired. These improvements include industrial water, general-purpose industrial buildings and port facilities, sanitary and storm sewers, industrial wastewater treatment facilities, railroad spurs, telecommunications, electricity, natural gas, roads, and bridges. The public projects are linked to targeted business sectors in manufacturing, food processing, assembly, warehousing, industrial distribution, advanced technology, research and development and recycling facilities.

Staffing for CERB is provided by the Community Economic Assistance Center (CEAC) and by Business and Project Development Services (BPD) within CTED's Economic Development Division. CEAC provides program management and board support; BPD helps to develop and package projects for board review. Collaboration between CERB and CTED results in strategic investment of CERB resources to increase economic opportunities, particularly in Washington's rural areas.

### Fast Facts

- CERB's priority is publicly owned economic development infrastructure
- CERB investments spur business development and job growth
- CERB has financed projects in 36 of Washington's 39 counties

### Results and Achievements

- **Jobs:** Since 1982 CERB has helped create and retain nearly 22,000 jobs that typically exceed county average annual wage rates. Eight new projects assisted in the 2005-2007 Biennium will create/retain an estimated 548 jobs.
- **Private investment:** CERB investments leverage private capital at a ratio of \$23 to every CERB dollar. Since 1982, \$102 million of CERB funds invested in public facilities stimulated \$2.3 billion in actual private capital invested in business facilities and machinery. Since July 1, 2005, \$2.7 million in CERB investment is estimated to leverage \$16 million in private investment.

### For More Information

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# Community Economic Revitalization Board-

## Statutory Authority

RCW 43.160  
*Enabling statute*

- **Return on investment:** Since data collection began in 1991, CERB projects have produced an estimated nearly \$61 million in state and local tax revenues from property, B&O and sales tax sources.
- **Responsible management:** There have been no delinquent CERB loans.

## Services

Currently CERB has \$20.4 million in new 2005-2007 appropriation authority to assist local governments and federally recognized Indian Tribes in meeting the infrastructure needs of business and industry.

Key program elements include:

**Program Management and Board Support:** Staff review financing proposals and requests to prepare in-depth project staff analysis and financial recommendations for board action, negotiate and manage contracts, facilitate policy development, and track and report program outcomes. Staff plan and manage 12 CERB meetings each biennium, prepare the CERB Biennial Legislative Report, manage the Board's operating and capital budget appropriations and manage the CERB project loan and grant portfolio.

**Applicant Technical Assistance:** Staff help each applicant identify project barriers, evaluate project feasibility, and develop funding and implementation strategies when the project is ready to proceed. Staff prepare a complete analysis of each project with recommendations to the board. Staff also help applicants work out emergent problems towards final contract development and project implementation.

## Performance Measures

Staff track project outcomes for a period of five years after construction of the public project is completed. By statute, CERB reports biennially to the Legislature on the:

- Number of applications for CERB assistance
- Number and types of projects approved
- Grant or loan amount awarded to each project
- Projected number of jobs created or retained by each project
- Actual number of jobs created or retained by each project
- Number of delinquent loans
- Number of project terminations





*Community Economic Assistance Center:*

## Community Empowerment Zone Program

*Encouraging revitalized communities through reinvestment*

### Purpose

The Washington State Community Empowerment Zone (CEZ) Program is a competitive program intended to spur neighborhood revitalization and reinvestment. State law authorizes six Community Empowerment Zone designations, which are located in Bremerton, Seattle, Tacoma, King County (White Center neighborhood), Yakima, and Spokane. To receive a CEZ designation, these jurisdictions identified target neighborhoods, undertook planning and public involvement processes, and adopted five-year plans to guide resource investments.

The CEZ designation enables qualified businesses to apply to the Washington State Department of Revenue for sales tax deferrals and business and occupation tax credits for a variety of projects, and to the Employment Security Department for Business & Occupation tax employee-training credits.

Administrative program funding was eliminated in the Fiscal Year 2003-2005 supplemental budget.

### Fast Facts

- Community Empowerment Zones secure designations to leverage federal funding and state tax incentives
- There is no state funding to assist local plan implementation
- No funding for program staffing or FTEs are provided to CTED to administer the program

### Results and Achievements

- Each Community Empowerment Zone has designated a zone administrator by ordinance to meet new statutory requirements.
- Each CEZ has a current five-year plan or is working to update its original plan
- All CEZs are required to provide annual calendar year reports.

### Performance Measures

- Local and state systems in place to measure and report CEZ performance
- Numbers of businesses taking advantage of each CEZ incentive

### For More Information

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# Community Empowerment Zone Program

## Statutory Authority

RCW 43.31(C)  
*Authorizes the CEZ Program and directs CTED to provide administrative and technical assistance support.*

## Services

Funding for administration of the Community Empowerment Zone Program at the state level was eliminated in the Fiscal Year 2003 supplemental budget. With no funding for program staffing, CTED provides the following minimal services to meet statutory requirements:

- One person with other primary work assignments serves as a point of contact for CEZs.
- Requests for assistance are referred to other agencies as appropriate.
- Required annual CEZ reports are collected and assembled as a summary report.
- Support is requested as needed from other CTED resources and work teams as well as Department of Revenue and the Employment Security Department to help local CEZs achieve identified reinvestment goals.
- Requests for zone modifications are processed as received.





# Economic Development Commission

*Private sector and labor expertise guiding state economic development policies*

## Purpose

In 2002, Governor Gary Locke formed the Washington Economic Development Commission (Commission) to engage the business community in improving and developing the state's economy. Acting on the advice of the Competitiveness Council, the Governor created the Commission by executive order and appointed private-sector business and labor leaders to provide policy oversight and long-term guidance on the best ways for the state to develop its economy. The Commission was codified by the 2003 Legislature.

## Results and Achievements

In 2005, the Commission will:

- Complete the update of the Statewide Strategic Plan for Economic Vitality
- Complete research and recommendations on strengthening the state's technology commercialization
- Work with the Department of Community, Trade and Economic Development (CTED) to implement an aggressive statewide marketing strategy based on target industries
- Make recommendations to clean up the state's economic development statutes

## Services

- Update the state's economic development strategy and performance measures
- Provide policy advice and strategic guidance to CTED, including:
  - Strategies to promote business retention, expansion and creation
  - Marketing strategies
  - Strategies to enhance cooperation between governments, economic development councils, state agencies and the Legislature
- Assist CTED to procure and deploy private funds for business development, recruitment, and promotion

## Fast Facts

- Commissioners are serving as the first participants in a statewide Ambassador Program, engaging the private sector in marketing Washington to their peers
- In 2004, the Commission led CTED's effort to develop a statewide target industry strategy and comprehensive marketing campaign
- In 2004, the Commission provided guidelines to CTED for prioritizing discretionary funding on regional partnerships with measurable impacts.

## Statutory Authority

*The Economic Development Commission was formed by Governor Locke in 2002 and codified by the 2003 Legislature*

## For More Information

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# Economic Development Commission



# Education and Training

*Tools for building communities*

## Purpose

Every state has resources that conduct education and training in one or more areas related to economic development. However, Washington State is unique in that it has made education and training an integral part of its economic development programs. The state provides the only comprehensive economic development training in the Northwest for practitioners.

In 1991, the Legislature established an educational and training component within the Department of Trade and Economic Development to provide comprehensive professional development. In order to achieve a coordinated economic development program that would compliment the state's strategic plan with local economic development goals, the Legislature intended to assist communities by maintaining a high level of competency for their practitioners. Therefore the mission of the education and training program is to help foster people, communities, and businesses to succeed in a global economy through the transfer of knowledge and information to people so they can make informed choices about their economic development future.

## Results and Achievements

- Provided professional development opportunities for nearly 1600 practitioners.
- Participated in over 15 workshops and conferences.
- Directs the only accredited basic economic development course in the Northwest.
- Supports local practitioners professional development through scholarships.
- Coordinated the Governor's 2002 Economic Development Conference: Taking Action to Secure Washington's Economic Future.
- Co-sponsored nine workshops with economic development partners.
- Produced ten publications in eight years. In 2001, published: Journey to Jobs, Community Wisdom and How to Keep Business Happy, Healthy and Local.

## Fast Facts

- The program is the only nationally accredited professional development program in the Northwest.
- In 2005, 2,843 people attended education and training programs coordinated or sponsored by the program.
- The program's Northwest Economic Development Games was recently ranked as one of the top basic courses in the country, according to the International Economic Development Council (Sept. 2005)
- Program staff has published eight economic development publications for practitioners

## For More Information

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# Education and Training

- Maintains a master regional education and training calendar on-line.

## Services

- Coordinate quarterly workshops and training for practitioners on issues and state of the art practices.
- Promote and assist national certification.
- Create a scholarship fund for individuals wishing to pursue education and training opportunities
- Identify and work with associations and organizations that provide education and training
- Develop and distribute publications designed to support local economic development strategies.

## Performance Measures

- Number of people attending education and training/professional development
- Number of events sponsored and coordinated
- Number of scholarships provided
- Number of hours of education and training delivered



*Community Economic Assistance Center:*

## Old Growth Diversification Program

*Expanding the forest products industry in Washington's timber communities*

### Purpose

Old Growth Diversification Funds are provided to the Department of Community, Trade and Economic Development through the U.S. Department of Agriculture (USDA) Forest Service. Since 1991, over \$13 million in resources have been used with state funds to increase the competitiveness of Washington's value-added forest products industry and to diversify the economies of timber-dependent communities. Timber communities are designating by the federal government.

### Results and Achievements

Since July 1, 2004, 12 grants totaling \$311,612 of Old Growth Diversification Funds have been made to rural communities seeking to diversify their local economies:

- \$19,000 to the Port of Chelan to complete a study on the best ingress and egress options to the Port-owned Peshastin Mill site property.
- \$38,000 to the Jamestown S'Klallam Tribe to organize and continue forming the Olympia Peninsula Tribal Tourism Affiliation. The goal of the group is to convene five NW Tribes to share tribal cultures toward tourism for the five nations.
- \$25,000 to Clallam and Jefferson counties to conduct a feasibility study and preliminary design for a wood-fired biomass electrical generation plant.
- \$5,802 to the N. Kittitas County Historical Society to complete a comprehensive strategic plan for the rehabilitation of the S. CleElum Milwaukee Rail Yard.
- \$65,000 to the Lewis County Public Development Authority to complete an industrial site plan for Cardinal Glass.
- \$46,648 to Mason County to complete a Capital Facility and Economic Development Plan for Allyn and Belfair.
- \$15,000 to the Pacific NW Salmon Center to complete a feasibility study on operation and construction of a Salmon Center in Mason County.

### Fast Facts

- Substantial declines in old growth timber supply triggered this federal assistance
- Fund resources have fueled economic diversification and spurred research into new products and processes
- Nearly all of the fund's resources are obligated and there is no similar, flexible state funding to replace this resource
- Last federal grant for this state program expires on Dec. 31, 2007.

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# Old Growth Diversification Program

## Statutory Authority

RCW 43.330.050

*General authority to administer federal grant funds.*

- \$16,228 to the Port of Willapa Harbor to develop a comprehensive strategic plan for the port.
- \$45,000 to the City of South Bend to install new, accessible, low maintenance docks that will provide waterside access to South Bend's downtown, thus stimulating tourism and economic development.
- \$35,000 to Economic Development Association of Skagit County to identify and educate farmers about under appreciated and potential future value-added product opportunities for Skagit producers.

## Services

CTED's Community Economic Assistance Center has provided management oversight for annual allocations of Old Growth Diversification Funds from the USDA Forest Service since 1991. Management costs are covered in part by a small federal administrative cap (6.5 percent), and in part by state matching dollars. Currently old growth diversification funds support the following strategic priorities:

- **Local Diversification Grants:** These grants assist communities to develop and carry out economic diversification plans. They also fund financing gaps for water, sewer treatment, and other capital projects required to diversify the economies of timber-dependent communities. CEAC manages these grant agreements.
- **Industry Contracts:** Old Growth Diversification Fund resources are also used occasionally to seed projects initiated by the industry to develop, diversify, and improve the competitiveness of Washington's forest products manufacturing sector. CEAC manages these contracts.
- **Revolving Loan Fund:** Lending capital for secondary manufacturers of value-added forest products and their suppliers is administered by CTED's Business Finance Unit.

## Performance Measures

- Local economic development capacity planning in the form of strategic plans, environmental review, environmental mitigation planning, conformance with state and federal overlay requirements, and completion of site-specific development plans
- Pre-construction activities such as engineering, design, feasibility analysis to address specific needs and opportunities for economic diversification, as well as local work to expedite permitting processes
- Gap financing for infrastructure projects
- Leverage of other funding sources





*Community Economic Assistance Center:*

## Rural Opportunity Fund

*Ensuring rural communities' readiness for economic development investment*

### Purpose

The Rural Opportunity Fund was created in 1999 to accelerate rural readiness for economic development investment. During the 2005-2007 Biennium \$483,000 is earmarked as passthrough funding to assist rural communities and Tribes to undertake a range of strategic planning and pre-construction activities that have economic development purposes and outcomes. Any economic development entity is eligible i.e. ports, cities, economic development councils. Local match varies and is determined on a case-by-case basis.

### Results and Achievements

Since July 1, 2004 ROF resources totaling \$429,914 have been granted to 21 projects. Examples include:

- \$35,000 to the Ritzville Public Development Authority to complete a feasibility study on developing a school that offers an Associate Arts Degree and Certification Program for historic preservation and restoration in the City of Ritzville.
- \$10,000 to Tri-Cities Enterprise to do a study on the viability of consolidating areas of technical assistance for incubators using a "best practices model."
- \$15,000 to Columbia-Pacific Resource Conservation and Economic Development District to complete a feasibility study for a "virtual" incubator.
- \$15,000 to Tri-County Economic Development District to develop site plans for a commercial/industrial development in Newport.
- \$10,350 to the NW Food Processing Association to gather data about the food processing industry cluster.
- \$15,000 to the Washington Association of Small Business Incubators to provide technical assistance to existing and pending small business incubators in rural counties.
- \$25,000 to the Yakama Indian Nation to prepare a preliminary assessment and engineering report for White Swan water utility and coordinated water system plan.

### Fast Facts

- Flexible grant matching program to help communities prepare for high-value development opportunities.
- Fills predevelopment funding gaps so projects can move forward.
- Addresses planning, feasibility, systems development and permitting needs that can present barriers to business development and job growth.

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# Rural Opportunity Fund

## Statutory Authority

*General functions align with  
RCW 43.330.050 and  
43.330.070.*

- \$5,000 to the Quinault Tribe to evaluate the Quinault Indian Nation's gas resources to determine their value for commercial development.

## Services

CTED's Community Economic Assistance Center staff administer the Rural Opportunity Fund. Funds are available to assist:

- Site-specific planning and predevelopment activities
- Projects that increase regional or statewide economic development capacity through planning or system development

## Performance Measures

- Local economic development capacity planning in the form of strategic plans, environmental review, environmental mitigation planning, conformance with state and federal overlay requirements, and completion of site-specific development plans
- Pre-construction activities such as engineering, design, feasibility analysis to address specific needs and opportunities for economic diversification, as well as local work to expedite permitting processes
- Leverage of other local, state and federal funding sources





# Small Business Incubator Program

*Creating and expanding innovative enterprises*

## Purpose

During the 2004 Session, the Legislature established a small business incubator program to assist in the creation and expansion of innovative small commercial enterprises that produce marketable goods and services through the use of small business incubators.

For this program, based on ESHB 2784, participating business incubators must offer:

- Space for start-up and expanding firms;
- Shared use of equipment and work areas;
- Daily management support services; and
- Technical assistance.

Qualified incubators must be:

- Non-profit organization under IRS 501 (c) (3) or partnership between a 501 (c) (3) organization and a government or quasi-government agency;
- Focused on small business in an economically distressed or disadvantaged area; and
- Be structured around a sound business plan.

Under the current criteria established by the Legislature, Virtual Incubators or "Incubators without walls" are not eligible for this funding.

A 2004 state assessment of incubators found Washington State had twenty-five (25) self-defined incubators. Only nine of these met the legislative criteria. There currently are twenty-six (26) communities exploring the option of creating an incubator.

Through incubators we are able to support creative entrepreneurs through business incubation - that is, programs and practices that assist in the formation, development and survival of new enterprises.

The mission of business incubation programs is to assist entrepreneurs in the formation and development of new enterprises so that those enterprises can survive and succeed.

## Fast Facts

- Washington State has twenty-five (25) self-defined incubators. Nine of these meet the legislative criteria.
- There are twenty-six (26) communities exploring the option of creating an incubator.
- Business incubation can be a valid approach to help reverse the state's business failure rate (2nd highest).
- Eighty-seven percent (87%) of incubator graduates remain in business (Impact of Incubator Investments Study, 1997).
- For every \$1 dollar of public investment, incubator graduates generate \$30 dollars.

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# Small Business Incubator Program

## Services

The Department of Community, Trade and Economic Development has managed this incubator program for two years. In the initial year, a survey of the state's incubators was conducted and a state conference was held on best practices. Operating grants were awarded to three incubators (Tacoma, Seattle and Spokane). This current biennium, CTED awarded four one-year operating grants (Ellensburg, Yakima, Seattle and Tacoma). The decision to award one-year grants was made to allow additional new incubators that are under consideration the opportunity to compete for these funds. The Department will work with the Washington Association of Small Business Incubators (WASBI) on a statewide conference in January.

The Department will also be working with WASBI on hosting the National Business Incubator Association's international conference in 2007. Last year's conference had over 600 people from 40 different countries. The state tourism unit estimated that 600 people for three days would bring in \$471,600 for estimated spending and would be a unique opportunity for our incubators to have access to international experts.

In addition to the program funding, CTED has helped incubators with CERB feasibility studies and helped with construction of incubators owned by ports and cities.

## Performance Measures

In order to accomplish their mission, incubation programs must achieve four measurable objectives:

- Increase the rate of new business formation;
- Increase the rate of survival and success of new enterprises-that is, diminish their failure rate;
- Increase the rate of development of new enterprises-that is, help them grow faster and more efficiently; and
- Increase the efficiency of the dissolution process if a firm fails. The assets that an enterprise has created thus can be returned or recycled into more productive uses elsewhere in the economy.



*Community Economic Assistance Center:*

## Washington Development Network

*Funding Assistance for Washington's Associate Development Organizations*

### Purpose

Grants through the Washington Development Network (WDN) program are provided as base-level funding to Associate Development Organizations (ADOs). These organizations work in partnership with CTED to coordinate and deliver local economic development services in single- and multi-county regions. ADOs are designated by the Boards of County Commissioners in each county and are intended to be broadly representative of local governments, local chambers of commerce, private industry councils, port districts, labor organizations, institutions of higher education, major employers and other public and private economic development interests.

CEAC staff within CTED's Economic Development Division manage the passthrough contracts. Approximately \$2.1 million is awarded during the 2005-2007 biennium via an allocation formula. WDN-supported activities undertaken by ADOs help attract, retain, expand and support business and job growth.

In addition to base funding, \$794,000 is awarded during the 2005-07 Biennium to ADOs to implement business retention and expansion (BRE) programs. These awards are tiered to reflect numbers of manufacturers and service delivery expectations. Many of the BRE contracts serve multi-county regions.

### Fast Facts

- There are 33 Associate Development Organizations, serving all 39 counties in the state
- ADOs are designated by Boards of County Commissioners in each county
- CTED contracts and partners with ADOs to work directly with business and community leaders at the local level

### Results and Achievements

Between July 1, 2003 and June 30, 2005, ADO partners have:

- Retained 4,840 jobs and created 8,894 new jobs, the majority having wage rates above the county average.
- Retained more than \$4 million in existing tax revenue and generated new tax revenue totaling \$5.9 million.
- Reported new private investments in land acquisition, buildings and equipment by businesses they assisted totaling nearly \$550 million.
- Sited 138 businesses in Washington State.

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# Washington Development Network

## Statutory Authority

*Associate Development Organizations are authorized pursuant to RCW 43.330.080.*

## Services

Key program elements include:

**Passthrough Funding:** This funding is included in CTED's budget for passthrough to Associate Development Organizations. It provides base level funding to ADOs to support economic development service delivery linked to CTED performance measurements. No CEAC staff costs are charged to the passthrough funding.

**Program and Contract Management:** CEAC staff negotiate and manage new contracts with 33 ADOs each biennium. Staff monitor contract performance to ensure local priorities are accomplished, state requirements are met, and department performance measures are reported. Quarterly performance outcomes are compiled and disseminated. When ADO responsibilities are assumed by new organizations, staff assist those organizations to develop appropriate management and reporting processes. Through referrals, staff also assist ADOs to obtain technical assistance requested in progress reports.

## Performance Measures

ADOs results are tracked as part of the following CTED performance measures:

- Number of jobs created or retained per fiscal quarter
- Percentage of jobs above the county average wage
- Number of businesses sited

Other ADO deliverables and outputs include:

- 33 case profiles per biennium
- Quarterly progress reports



# Washington State Film Office

*Marketing Washington for film, television and commercial productions*

## Purpose

The Washington State Film Office markets the state for feature film, television, and commercial production. These productions generate revenue by hiring local crew and talent, renting and purchasing goods and services, leasing locations, and spending for housing and per diem. The Film Office partners with chambers of commerce, convention and visitor bureaus, economic development councils, governmental agencies, and film-related businesses to facilitate and create a receptive atmosphere for filmmakers. Filming is a clean, green, resource-sustaining industry that creates jobs and new tax dollars for the state. The state is actively pursuing the interactive media sector, as potential is high for this emerging industry.

## Results and Achievements

- From 2003 through 2004, feature film and television production resulted in \$26 million in production spending in the state and created 5,000 local temporary jobs.
- More than 300 film and video businesses exist statewide, providing jobs for approximately 3,000 state residents.
- A single feature film typically brings \$1 million to \$12 million into a community. A television movie generates an average of \$1 million in revenue and one episode of a television series can result in \$300,000 to \$500,000 in direct spending. Commercials can spend \$250,000 to \$500,000.
- During the past 10 years, the state has realized a 50 to one return on its investment. For every dollar spent by the Film Office to promote filmmaking, producers spent \$50 in production-related expenditures in Washington.

## Performance Measures

Number of temporary local jobs created by on-location motion picture, television and commercial production

## Fast Facts

- Gov. Gregoire has proposed cutting funding for the three-person state Film Office, effective June 30, 2005. The current annual budget for the office is \$374,000.
- For every dollar the state spends to market for film, television and commercial production, \$60 is spent by production companies in local communities.
- Out-of-state producers have spent more than \$278 million dollars in Washington State since 1994.
- Three thousand permanent and free-lance local workers make a living in the film and video industry.

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# Washington State Film Office

## Statutory Authority

RCW 43.330.090 -

*Section 12 (2)*

*...the department shall promote, market and encourage growth in the production of films and videos, as well as television commercials within the state.*

"One of the first calls we make on a job is for locations. I have a bookmark on my Internet server leading to the WSFO website and a speed dial for your office. It is because of your office that we return again and again."

—Lisa DeLeo, Production Manager, Mr. Big Productions, Los Angeles

## Film Office Partners Include:

Local suppliers, Hotel/Motel Association, Chambers of Commerce, Convention and Visitor Bureaus, City Governments, Labor Unions, Economic Development Councils, City of Seattle Film Department, Media Inc. Publishing, local production and postproduction companies, state agencies, U.S. Forest Service, National Parks, ports, Los Angeles film industry executives, Association of Film Commissioners International, Seattle Composers Alliance, Eastman Kodak, Enterprise Rent A Car

## Services

Key program elements include:

Responds to all client requests for information about the state to constituents looking for industry employment opportunities.

Coordinates and conducts scouting trips with clients to promote Washington State locations for specific projects.

Maintains a comprehensive database of location information and digital photo library.

Maintains [www.filmwashington.com](http://www.filmwashington.com) containing filming resource information and a location library.

Provides customized response packages upon request.

Conducts "Film Fundamentals" workshops around the state to educate businesses and communities on how to work with film companies.

Promotes the state for in-state and out-of-state production.

## Interactive Media - A Growing Segment

Washington's interactive media industry contributed an estimated \$3 billion in revenue in 2003 and is home to more than 50 game developing companies, up from 37 in 2003. Almost all are small businesses.

Video games and mobile media are the largest growth sectors in today's entertainment industry. In 2002, it is reported that U.S. box office revenue was \$9.5 billion, while U.S. video game sales totaled \$11.1 billion. The market for cell phone games, which is about \$160 million annually, is expected to explode as well — revenues of \$1.7 billion are projected by 2008.

The Film Office is currently working with its newly formed interactive media task force to help create an industry association that will promote and enhance the interactive media industry in Washington State. The Film Office is also working with local industry executives to attract or host a major industry conference to Washington - key to locating international media companies to the state.

Local partners in the state's interactive media efforts include: Microsoft Xbox, Nintendo of America, Real Networks, Monolith, a division of Warner Bros. Interactive, Gas Powered Games, University of Washington, DigiPen, Seattle Convention and Visitors Bureau, and CTED's International Trade Division, among others.





*Community Economic Assistance Center:*

## Washington State Main Street Program

*Stimulating economic development in Washington's traditional downtown districts*

### Purpose

A healthy, thriving downtown or neighborhood business district is an asset to any community that is endeavoring to sustain or grow its local economy and create or retain jobs. The Washington State Main Street Program (WSMSP) helps communities throughout the state revitalize the economy, appearance, and image of their traditional business districts through training, technical assistance, and organization of local resources.

The WSMSP uses the successful Main Street™ methodology developed by the National Trust for Historic Preservation as its foundation for assistance. This approach, used in 36 states nationwide, emphasizes four critical areas of revitalization:

- **Organization:** Helps everyone work towards the same goals and maximizes involvement of public and private leaders within the community
- **Promotion:** Brings people back downtown—it helps attract visitors, shoppers, and investors
- **Design:** Enhances a district's appearance and pedestrian amenities while preserving its historic features; and
- **Economic restructuring:** Stimulates business development and helps strengthen the district's economic base.

### Fast Facts

- Revitalized downtowns help existing businesses succeed and attract new business to city centers
- Healthy downtowns offer mixed-use development opportunities and support historic preservation efforts
- Three of Washington's certified local programs are Great American Main Street Award™ winners, focusing national attention on Port Townsend, Walla Walla and Wenatchee

### Results and Achievements

Local Main Street™ programs help retain existing businesses, create new jobs, and encourage investment in downtown infrastructure.

From July 1, 2003 to June 30, 2005, downtown reinvestment in Washington's nine certified Main Street™ communities has:

- Yielded 448 new businesses, expansions, and acquisitions
- Brought in 1,236 new jobs
- Rehabilitated 290 buildings
- Generated \$45 million in building rehabilitation and construction

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# Washington State Main Street Program

## Statutory Authority

*Chapter 514 of the 2005 session law establishes the WSMSP and lays out its responsibilities.*

*Chapter 79 of the 2002 session law makes CTED responsible for designating Main Street™ commercial areas.*

## Services

From the basics of Main Street™ to advanced downtown development topics, regular training opportunities are provided to communities throughout the state. This includes the annual statewide Downtown Revitalization Training Institute, a multi-day comprehensive training program with a 19-year history in Washington State. The WSMSP serves as a resource center with information and case histories compiled from communities throughout the state and the nation. Staff respond to hundreds of questions yearly on subjects ranging from promotions to parking lots to the new Main Street tax credit incentive program. Staff also help communities launch revitalization efforts and tackle more complicated issues and projects through technical assistance and on-site visits. Services are provided through a tiered system and increase as a community's commitment and ability to move forward with a comprehensive downtown revitalization strategy increase.

- **Affiliate Community:** These communities have access to the Downtown Revitalization Resource Library and information exchange, telephone consultations, limited technical assistance, awards program, and various training events. This level is for communities that are just beginning to explore downtown revitalization, do not want full Main Street™ designation, or wish to use the Main Street Approach™ in a non-traditional commercial setting. Communities of all sizes are eligible to participate and may join at any time.
- **Start-Up Community:** Services at this level help communities build an appropriate organization and funding base to start a comprehensive downtown program. Participation does not guarantee later selection as a certified Main Street™ community, but it can help strengthen revitalization efforts. Services are provided for a two-year period. Application rounds are held as resources permit.
- **Main Street™ Community:** A full-range of assistance is provided to these communities, from intensive services to meet the needs of newly certified communities to services that help mature programs maintain focus and effectiveness. Certified Main Street™ programs work to develop and maintain a number of critical tools needed to undertake comprehensive downtown revitalization. Application rounds are held as resources permit.

## Performance Measures

For certified Main Street™ communities, the WSMSP tracks:

- Number of acquisitions, expansions, and new businesses
- Number of new jobs
- Number of buildings rehabilitated
- Amount of private and public sector investment in downtown building rehabilitation and new construction projects
- Volunteer hours contributed to local downtown revitalization efforts



# Washington State Tourism Program

*Promoting Washington to visitors from throughout the world*

The Tourism Office is responsible for marketing Washington as an exceptional travel destination and for influencing consumer decisions to travel within the state year round. The ultimate objective is to attract visitors into communities throughout Washington State to increase visitor travel, spending, and revenues. No other public or private organization in the state provides this function.

## Results and Achievements

More than 2.8 million people visited the state's tourism consumer website, [www.experiencewashington.com](http://www.experiencewashington.com) in 2004, an increase of 45percent over 2003.

In Fiscal Year 2005, the tourism program:

- Established a Coalition Industry Committee to review competitive state's tourism office organization and funding.
- Established a statewide Tourism Brand Development Task Force to create a new brand approach for Washington State.
- Co-op partnership with Belo Marketing Solutions encouraging Travel in Washington with a 25-second TV commercial.
- Initiated a direct business link program on the tourism website that allows tourism businesses to directly connect with consumers visiting the website.
- Provided content for 1/2 hour TV show, Northwest Backroads, which promotes Washington State travel stories and directs viewers to the Tourism Office website.
- Created an interim print and internet advertising campaign to increase awareness of Washington State as a travel destination.
- Domestic advertising equivalency July 2005 through May 2005 is \$26.8 million.

## Fast Facts

- Travel spending in Washington State in 2004 is estimated at \$11.6 billion, generating \$3.7 billion in earnings, and 140,200 jobs
- The State Tourism budget ranks last in the 13 western states
- Washington's travel industry consists of more than 28,000 businesses

## For More Information

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# Washington State Tourism Program

## Statutory Authority

RCW 43.330.090

*The department shall pursue a coordinated program to expand the tourism industry throughout the state in cooperation with the public and private tourism development organizations.*

“The Tourism Office continues to contribute to the health of the state’s tourism industry by providing leadership and strategic direction in the areas of marketing, travel trade, media relations, research and web development.”

—Duane Wollmuth, Managing Partner, Three Rivers Winery, Walla Walla

## Services

Key program elements include:

**Consumer Marketing:** Targets potential travelers who live in the Northwest and the surrounding 13 western states to encourage them to visit the Tourism Office website, which in turn links them to businesses and communities throughout the state. The marketing effort is directed and measured by annual market research.

**Fulfillment:** Responds to all consumer phone or written inquiries for travel packets and tracks inquiries according to the media that generated it and the geographic origin. The program uses this information to measure the effectiveness of the marketing campaign in influencing consumer travel.

**Media Relations:** Works with domestic and international travel media to generate interest in Washington as a visitor destination. Annually, program staff makes sales calls on national media editors in key metropolitan areas to encourage them to feature Washington in their publications. The program also provides media relations workshops to give community-based organizations the resources and knowledge to effectively work with travel journalists.

**International Market Development:** Markets Washington's attractions, destinations, and activities overseas. Priority markets include the United Kingdom, Japan, Germany, and the Benelux countries. Strategies focus on reaching and influencing the consumer through the travel trade (tour operators, travel agents, and receptive operators). Annually, program staffs participate in and coordinate sales missions, familiarization tours, and trade shows. A cooperative partnership exists between Washington and the Oregon Tourism Commission in the German market.

## Performance Measures

- Utilize the Tourism website, **[www.experiencewashington.com](http://www.experiencewashington.com)**, to position the state as a uniquely diverse visitor destination and to link consumers to Washington State's community and business websites
- Develop an ongoing national and international media relations program to target specific travel and related publications to encourage editorial coverage of activities, attractions, and events throughout the state
- Increase the number of group tours offered by domestic and international group operators
- Provide professional consultants in marketing and tourism product development to assist regional and community tourism organizations and businesses to improve their ability to influence consumer travel decisions